

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
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In the Matter of )  
 )  
Telecommunications Services ) CS Docket No. 95-184  
Inside Wiring )  
 )  
Customer Premises Equipment )

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To: The Commission

COMMENTS OF UTC

UTC, The Telecommunications Association (UTC), hereby submits its comments in response to the Federal Communications Commission's (FCC) *Notice of Proposed Rulemaking (NPRM)*, released January 26, 1996, in CS Docket No. 95-184. UTC supports the FCC's efforts to harmonize its telecommunications and cable television inside wiring rules in light of the convergence of these two historically separate services. UTC urges the FCC to adopt rules which permit greater consumer choice in the provision of narrowband and broadband communication services and equipment, and in the control of inside wiring. Furthermore, UTC recommends that uniform rules be applied to all broadband communications networks.

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UTC is the national representative on communications matters for the nation's electric, gas, water and steam utilities, and natural gas pipelines. UTC's members include companies of all type, size and ownership, from large investor-owned combination electric-gas-water utilities which serve millions of customers, to smaller, rural electric cooperatives and water districts which serve only a few thousand customers each. All utilities and pipelines depend upon reliable and secure communications to assist them in carrying out their obligations to provide service to the public. Utilities and pipelines have an interest in ensuring that they have flexibility in the use of inside wiring and in the choice of communications providers, and therefore have an interest in this proceeding.

UTC applauds the FCC for its decision to investigate the current rules regarding inside wiring to determine what changes are necessary to promote competition and avoid confusion. Such an investigation is mandated by technological developments which are resulting in a convergence of traditional cable television and telephone services. Moreover, the recently-enacted Telecommunications Act of 1996<sup>1</sup> promotes further convergence by freeing cable television and telephone service providers from previous restrictions and by promoting competition in the provision of broadband services.

UTC foresaw the need for this analysis in its 1992 comments on the FCC's *Notice of Proposed Rulemaking* regarding the regulation of cable television inside wiring:

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<sup>1</sup> P.L. 104-104.

[W]ith the development of hybrid cable television/telephone systems or video dial tone systems, some inside wiring used for multichannel video delivery might be subject to the FCC's existing policies on telephone inside wiring. With the potential, if not likely, convergence of these two technologies, the Commission should make its policies on cable television inside wiring and telephone inside wiring as consistent as possible.<sup>2</sup>

UTC continues to believe that consistent inside wiring rules for broadband services, whether provided by a traditional telephone service provider or cable television provider, will best serve the public interest. UTC urges the FCC to adopt rules which: (1) apply the same rights for consumer access to inside broadband wiring as are currently applied to inside telephone wiring; and (2) permit similar flexibility for consumers to connect unregulated customer premises equipment (CPE) equipment to the cable television and other broadband networks as has been afforded consumers with regard to the telephone network.

#### **I. Customer Access to Wiring**

In the *NPRM*, the FCC requests comments on whether changes are necessary to FCC rules regarding customer access to wiring inside the demarcation point. The FCC notes that the current rules differentiate between the treatment of cable television inside wiring and telephone inside wiring. While telephone customers are free to remove, replace, rearrange and maintain telephone inside wiring using sources of their own choosing, current FCC regulations regarding cable inside wiring do not require cable companies to provide customers

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<sup>2</sup> UTC's Comments, filed December 1, 1992, in MM Docket No. 92-260 at pp. 4-5, n.3.

with the same freedom. FCC regulations do not require cable companies to permit customers to provide, install or rearrange their own inside wiring.

UTC continues to believe, as it noted in its comments in MM Docket No. 92-260 regarding cable inside wiring, that “[t]he Commission’s policies on the use of telephone inside wiring provide an excellent model for the development of cable inside wiring policies.”<sup>3</sup> Customers of broadband services, such as cable television, should have the right to access and control inside wiring in the same manner and to the same degree as telephone customers. As the FCC correctly surmises in the *NPRM*, the application of the telephone model to broadband services will provide broadband customers with many of the same advantages that have been afforded telephone customers.<sup>4</sup>

Customer access to inside wiring prior to termination will permit customers to choose who will install and maintain wires, resulting in greater competition in the broadband wiring marketplace. Competition will likely reduce the maintenance fees and service charges associated with broadband services (as it has done for telephone services) and will also permit consumers to select the installation or maintenance service providers that best suits their needs. For companies such as utilities and pipelines, access to inside wiring will permit them to provide installation and maintenance services in-house to more effectively respond to evolving communications needs and to reduce communications costs.

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<sup>3</sup> UTC’s Comments in MM Docket No. 92-260 at p. 4 (footnote omitted).

<sup>4</sup> *NPRM*, ¶43.

Applying the same flexibility for broadband services that has been applied to telephone service will also promote competition in the broadband services marketplace. Customers desiring access to multiple broadband providers will be able to use the same inside wiring for all providers where technically feasible. Additionally, the likelihood that customers will change or add broadband providers will increase if restrictions regarding the use of existing inside wiring are relaxed. If issues related to the authorized use of inside wiring are resolved, customers will begin to perceive broadband networks similarly to the telephone networks and will be less intimidated at the thought of switching or adding service providers.

The FCC also requests comments on whether the right for customer access to broadband wiring should be available to wires carrying: (1) cable and telephone services; or (2) cable services only.<sup>5</sup> UTC believes that the right to access broadband inside wiring should apply to all broadband wires, regardless of whether they carry cable television only or both cable and common carrier services. The benefits associated with customer access, including greater competition and lower prices, should be available to all consumers, not just those who choose a particular combination of services.

UTC also recommends that the FCC apply the same post-termination rights to broadband customers for inside wiring that are afforded to telephone customers. Current FCC rules prohibit a telephone company from imposing restrictions on the use of inside wiring

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<sup>5</sup> *NPRM*, ¶42.

after termination and from requiring customers to purchase or pay a usage fee for this wiring. Cable television inside wiring rules, on the other hand, permit cable television companies to require the purchase or removal of the inside wiring. UTC believes the current cable television inside wiring rules unnecessarily inhibit the rights of customers and the development of a competitive environment for broadband communications services.

Customers should be permitted to use cable inside wiring after termination without restriction. For the broadband communications provider, this would eliminate the need to resolve problems relating to the access to customer facilities after termination of service. For customers, this would eliminate the need for the reinstallation of inside wiring upon a change of broadband service providers, and thereby eliminate a major obstacle to the development of a competitive broadband communications market. Customers will be free to choose alternative broadband providers without delays related to the installation of inside wiring and without the concerns related to security and damage to property which may be associated with inside wiring installation.

UTC restates the recommendation it first set forth in its comments in MM Docket No. 92-260 that the telephone inside wiring rules regarding customer access serve as the model for the cable inside wiring rules. UTC recommends the following rule be adopted:

A cable operator may not use a claim of ownership as a basis for restricting a subscriber's right to remove, replace, rearrange, or maintain any cable home wiring that may have been installed by the cable operator. Further, a cable operator may not require that cable home wiring be purchased from it or impose any charge for the use of such wiring upon the voluntary termination of service by the subscriber; provided,

however, that nothing in this section shall affect the cable operator's rights and responsibilities under Section 76.617 to prevent excessive signal leakage caused by improperly installed or maintained cable home wiring.<sup>6</sup>

This rule would eliminate the need for the FCC to determine the appropriate method for and timing of the vesting of ownership rights of customers in cable inside wiring. Using the telephone inside wiring rules as a model would also eliminate the need for consideration of the appropriate compensation for this wiring.<sup>7</sup>

## **II. Customer Premises Equipment (CPE)**

UTC supports the FCC's proposal to permit customers to connect unregulated broadband CPE to the broadband network. As has been the case with telephone CPE, deregulation of the broadband CPE marketplace will promote entry by equipment vendors, increasing competition and reducing costs for consumers and cable companies. Increased competition will also promote new and innovative developments in cable CPE. As competition continues to promote new developments in broadband networks, the CPE market must similarly develop. The convergence of technologies that is the impetus for the FCC's review of its inside wiring rules will require new CPE equipment that is capable of more than traditional cable television functions; competition in the development of CPE equipment is

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<sup>6</sup> UTC's Comments in MM Docket No. 92-260 at pp. 7-8.

<sup>7</sup> Of course, nothing in this proposed rule would prevent cable operators from capturing the cost of inside wiring in installation charges or from preventing signal leakage caused by the use of this wiring.

the only way to ensure that the development of CPE keeps pace with the developments in the broadband market.

UTC recognizes that broadband providers have legitimate needs to protect against unauthorized access to services and to ensure the reliability and integrity of their networks. To this end, UTC recommends that the CPE equipment manufacturers and the broadband communications provider industry (including traditional cable and new broadband service providers) develop voluntary standards for subscriber access to and connection of CPE.<sup>8</sup>

### **III. Conclusion**

UTC supports the FCC's proposals to harmonize its cable television and telephone inside wiring rules. UTC urges the FCC to promote competition in the provision of cable television inside wiring and CPE and to provide customers with greater control over the use of inside wiring. As has been demonstrated by the telephone inside wiring market, the introduction of greater competition and customer control will result in lower prices and innovative services, while reducing the need for FCC oversight.

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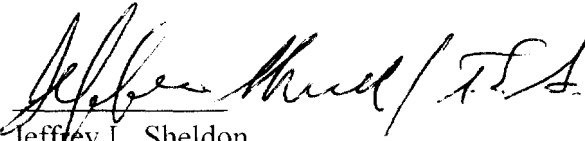
<sup>8</sup> Section 256 of the Telecommunications Act of 1996, P.L. 104-104, requires the FCC to promote the use of voluntary standards on efficient interconnection to public networks.

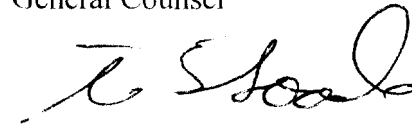


**WHEREFORE, THE PREMISES CONSIDERED,** UTC requests the Federal Communications Commission to take action in accordance with the views expressed in these comments.

Respectfully submitted,

**UTC**

By:   
Jeffrey L. Sheldon  
General Counsel

By:   
Thomas E. Goode  
Staff Attorney

**UTC**

1140 Connecticut Avenue, N.W.  
Suite 1140  
Washington, D.C. 20036

(202) 872-0030

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